

**MINUTES OF THE
MUNICIPAL LIGHT BOARD
JULY 20, 2010**

PURSUANT TO notice given the Wellesley Municipal Light Board ("Board") met in the conference room of the Municipal Light Plant's ("MLP") garage and warehouse, 4 Municipal Way, at 5:30 PM.

PRESENT

Those present included Chairman William E. Charlton and Commissioners Paul L. Criswell, David A. T. Donohue, Thomas E. Peisch and Edward J. Stewart; MLP Director Richard F. Joyce and staff members Peter Bracken, Francisco A. Frias, Debra J. Healy, William H. Marsh, Suzanne M. Newark, Donald H. Newell, Daniel J. Trant and James W. Verner. Also in attendance was Wellesley resident Patrick J. Dowdall.

APPROVAL OF MINUTES

Upon a motion made by Mr. Stewart and seconded by Mr. Donohue, it was unanimously

VOTED: To approve the June 22, 2010 Public Session Board Minutes as written.

Upon a motion made by Mr. Peisch and seconded by Mr. Donohue, it was unanimously

VOTED: To approve the June 22, 2010 Executive Session Board Minutes as written.

CITIZEN SPEAK

Mr. Charlton presented all those in attendance with the opportunity to speak on matters of interest with respect to the MLP. No one in attendance wished to speak.

DIRECTOR'S ITEMS

Financial Statements. The Director reviewed the May 2010 and year-to-date Income Statement. Despite a 2% reduction in sales, the MLP will realize a projected profit of \$1.4 million for Fiscal Year 2010 ("FY10"), approximately \$100,000 more than projected in the Five-Year Financial Forecast. The MLP's "Cash and Equivalents" balance exceeds the prior year's amount for the first time since the MLP began drawing down its Rate Stabilization Fund in October 2007.

Line losses remain in the low to mid 4% range which has provided a significant savings to MLP customers. Since the Board established an aggressive capital plan in 1995 the MLP's line losses have been reduced by approximately 2% eliminating 4,900,000 kilowatt-hours ("kWh"). At \$0.07/kWh this reduction provides an annual savings of \$343,000.

Grounded Power. Debra J Healy reviewed the eight screens that are displayed on the monitors at the Town Hall, Library and Middle School. These screens alternate every 15 seconds and provide a comparison to the energy reduction goals approved at the 2009 Town Meeting. The

parity increases that were effective July 1, 2009. Mr. Newell compared the MLP's FY10 projections to actual overtime hours worked. The MLP's projections were accurate and both AFSCME and the MLP received the benefits that were bargained.

National Grid Bill Dispute. Between November 3, 2009 and February 15, 2010, the MLP experienced three major power interruptions as a result of National Grid's crews failure to refrain from excavating within Dig Safe mark-outs. The first occurrence was on Abbott Road and resulted in a major power outage. In violation of Department of Public Works regulations National Grid performed directional boring damaging three conduits, primary cable and neutral. The MLP's repair costs of \$29,074.58 were paid by National Grid.

On January 5, 2010 and again on February 15, 2010 National Grid crews penetrated the MLP's sub-transmission lines at the intersection of Boylston and Woodward Streets. The MLP's electrical lines were clearly marked-out and photographs confirmed that National Grid borings were within the Dig Safe lines. Total repair costs of \$86,863.59 were incurred in addition to a reduction of the useful life of the cable from the voltage surge. Despite the MLP's sharing of the photographs, National Grid has refused to pay for the repair costs.

The Director is recommending that the MLP retain Attorney John P. Coyle of Duncan & Allen to file a Complaint with the Norfolk Superior Court. The Board discussed various options and agreed with the Director in the retention of Attorney Coyle and the filing of a Complaint.

FY10 Director's Objectives. The Director and MLP staff completed 14 of the 16 Objectives. The two Objectives that were not completed were:

- Lost Time Accidents – the MLP's consecutive day streak without incurring a Lost Time Accident ended at 1,376 days. The MLP has begun a new streak of 303 days as of June 30, 2010.
- Position Description Revisions – AFSCME has been provided copies of all revised Production Union Descriptions; the MLP does not expect to receive comments until September 2010.

Fiscal Year 2011 Director's Objectives. Based on feedback received at the June 22nd Board Meeting one of the proposed Objectives was eliminated and four new Objectives were added. The four new Objectives include: in-house cost of service analysis; streetlight energy conservation; rate impact of transmission increases; and Standard & Poor's credit rating. The follow-up customer survey objective was removed. Upon a motion made by Mr. Charlton and seconded by Mr. Criswell, it was unanimously

VOTED: To approve the seventeen Fiscal Year 2011 Director's Objectives as presented at the July 20, 2010 Municipal Light Board meeting.

ADJOURNMENT

The Board Meeting adjourned at 7:05 PM.

Respectfully submitted,

Paul L. Criswell, Secretary